

RACING AND GAMBLING LEGISLATION AMENDMENT AND REPEAL BILL 2003
RACING RESTRICTION BILL 2003
RACING AND WAGERING WESTERN AUSTRALIA TAX BILL 2003
RACING AND WAGERING WESTERN AUSTRALIA BILL 2003

Cognate Debate

On motion by Hon Nick Griffiths (Minister for Racing and Gaming), resolved -

That leave be granted for the Racing and Gambling Legislation Amendment and Repeal Bill 2003, Racing Restriction Bill 2003, Racing and Wagering Western Australia Tax Bill 2003 and the Racing and Wagering Western Australia Bill 2003 to be debated cognately.

Second Reading - Cognate Debate

Resumed from 9 May.

HON BARRY HOUSE (South West) [11.01 am]: The Opposition is pleased to indicate its support for these Bills, which relate to the establishment of a new structure for the future governance of the racing industry in Western Australia. It is important to note how important the racing industry, which comprises thoroughbred, harness and greyhound racing, is to Western Australia. Various estimates of the importance of the racing industry to this State and nation have been made, but most pundits put it as the third, fourth or fifth biggest industry in the nation in one shape or form. We are talking about a billion dollar industry. This industry impacts directly on many people's lives in many different ways. It involves a lot of money. It involves people from different backgrounds and ways of life, from wealthy millionaires to professionals such as trainers, jockeys, reinsmen and administrators of one or other of the codes. Some people are involved in this industry as an investment or a hobby. Some people are involved in the punting aspect of the industry, such as bookmakers. Some people are part of a syndicate of owners of racehorses, trotters or dogs. For many people, it is a family activity that takes in their role of breeding horses or dogs. In some cases these people also train and own the horses or dogs. In the case of the trotting industry, some also are reinsmen. A wide range of subsidiary and complementary industries are associated with the racing industry. There are multimillion dollar transport industries, feed merchants, saddlery businesses, professional development businesses associated with the training of jockeys and reinsmen, dog food businesses and so on. I could go on forever. The important thing to note is that this is a big industry that affects many aspects of many people's lives in Western Australia.

These Bills centre around the creation of Racing and Wagering Western Australia. This legislation was born out of a racing industry review that was initially commissioned by the previous Government and ultimately tabled in the Parliament and made public during the term of this Government as the Ray Turner report. Ray Turner should be complimented on heading up the team that produced a report that provides a pretty thorough analysis of the industry, and points the way for the future. This legislation adopts most of the recommendations of the Turner report. However, it is worth noting at the outset that there are two major exceptions. The Turner report recommended a board of seven for the Western Australian Racing Industry Council, comprising a chairperson and six members appointed by a selection panel. The Government's legislation proposes a board of 10, comprising a chairperson plus two representatives each from thoroughbred racing and harness racing, one representative from greyhound racing and four members appointed by a selection panel. That is one way in which this legislation deviates from the Turner report. The Turner report also recommended separate industry bodies for racing, trotting and greyhounds under the overarching Western Australian Racing Industry Council. This legislation scraps that layer of administration. I guess the jury is still out on that administrative structure. The structure of Racing and Wagering Western Australia will have to include separate administrative arrangements for each of the three codes. Some overlap and economies of scale may be derived by combining many of the functions of the codes, but the actual running of each code will have to involve some separate administrative tasks.

One of the main features of this legislation is that it merges the principal club functions of racing, trotting and greyhounds with the offcourse betting activities of the Totalisator Agency Board. As a controlling body, it will set racing dates and venues across all codes. It will control stewards, drug testing, appeals, handicapping and so on across all the codes. It will licence all operators, and it will take over the functions of the Racecourse Development Trust of Western Australia; that is, the responsibility for development and training. At this point I acknowledge the good work of Hon Tom McNeil, a former member of this Chamber, who for some years has headed the Racecourse Development Trust of Western Australia. He has done a very good job. His work has contributed to the ability of many clubs to improve their facilities to meet the demands of a modern racing industry. Tom McNeil deserves our congratulations for the job he has done. I am not sure whether there will be a place for him in the new structure; time will tell. I know that he can hand over the responsibilities of this function feeling very pleased and satisfied with the results that have been achieved over the past few years that he has been involved.

The TAB will be abolished by this legislation and Racing and Wagering Western Australia will take over the conduct of offcourse betting. There will be a complementary merger of the Betting Control Board of Western Australia and the Gaming Commission of Western Australia into a single gaming regulatory body. Such a merger was recommended in 1998 via a report to the Minister for Racing and Gaming.

It is also worth noting at the outset that Racing and Wagering Western Australia will not be a crown agency. In that respect it will be a form of hybrid agency. It will not be subject to ministerial direction or the jurisdiction of the Ombudsman, which may be considered questionable in some quarters, and it will not be a public sector body. I anticipate that, as a result of that, some employment issues will arise concerning the inevitable transfer of staff from existing bodies such as the Totalisator Agency Board to Racing and Wagering Western Australia. I suspect that some of the unions will pose some questions to the minister in that respect.

Racing and Wagering Western Australia will be accountable through the Financial Administration and Audit Act, through freedom of information, reports to Parliament and ministerial access to information. The minister will be required to assess, negotiate and agree with RWWA's annual strategic management plan before it is implemented, and an annual statement of corporate intent will be tabled in Parliament.

A very healthy debate has occurred on this issue among Liberal Party members for some considerable time. The view of various members of the Liberal Party reflects the gamut of views among people in the racing industry in Western Australia. I do not think their views differ much from those of Labor Party members. I suspect that a range of views within the Labor Party also reflects the positions of the various sectors of the racing industry. In that respect it has been sometimes difficult to reach a position, because it is impossible to please everybody. We know from the history of the racing industry in Western Australia that that is a fact.

The Liberal Party has adopted the following position on this legislation: first, it strongly supports the establishment of a new structure to take on the governance of the racing industry of Western Australia and the TAB. When many clubs and sectors in the industry throughout Australia are struggling, it is important that better coordination and planning are in place to meet the challenges that lie ahead. There is a history of competition and mistrust between the various sectors of the racing industry, and there is a history of mistrust, suspicion and sometimes outright antagonism between city and country interests across the board. Western Australia is the last State to legislate for an overarching authority to control various aspects of the industry. From my observations, Western Australia's legislation goes further than that of most other States. In most respects, it is probably a better model because its treatment of the racing industry in general is more comprehensive. However, that is not to say that it is perfect. Some contentious aspects surround the composition of the board and the distribution of the TAB profits.

It is proposed that the new board will comprise 10 members: a chairperson, appointed by the minister; code representatives - two from the thoroughbred racing industry, two from the harness racing industry and one from the greyhound industry; and four professional representatives appointed by a selection panel, which will comprise a ministerial appointment, a RWWA director and someone from each code. The final constitution of the board will be the key to the success of this change in structure. It is vitally important. The Labor Party got itself into a little bit of strife with the composition of the board because it did not follow to the letter the recommendations in the Turner report. It deviated from the recommendation to involve code representatives on the board as well as professional appointees.

Hon Nick Griffiths: They are nominees, not representatives. It is a misunderstanding that everyone seems to have.

Hon BARRY HOUSE: Code nominees?

Hon Nick Griffiths: You do not seem to understand the distinction. I will deal with it when I respond.

Hon BARRY HOUSE: The sentiments are noble and I hope the right people are appointed to the board to reflect that position. The Government's initial proposal was a lopsided distribution of code nominees: two from thoroughbred racing and one each from harness and greyhound racing. This resulted in vigorous and vocal lobbying from the trotting code in general, particularly the WA Trotting Association. It is now history that the WATA brought on board lobbyists Brian Burke and Julian Grill to lobby within the Labor Party, which seems to have been successful. In a last minute change, as the Bill hit the Table of the Legislative Assembly, the composition of the board changed to two each from thoroughbred and harness racing and one from greyhound racing. I had asked the minister a question, which he might address in his response: does the minister think that success qualifies the lobbyists, Brian Burke and Julian Grill, for their \$200 000 success fee from the WATA?

Hon Nick Griffiths: If the Trotting Association has money to spend, it should give it to country trotting rather than waste it on other things.

Hon BARRY HOUSE: We agree with that. It will be interesting to see how that is played out down the track.

Hon Nick Griffiths: If the WATA paid those people, it would be an absolute disgrace. We will see what happens.

Hon BARRY HOUSE: We agree. The Liberal Party believes that it has a better proposal for the representation of the codes on the board; namely, one from each code rather than two each from racing and harnessing and one from greyhound racing. The code nominees should reflect equal representation. The major reason is that it will enable a majority of the professional appointees to be on the board rather than a majority of code nominees. It is presently proposed that the board comprise 10 representatives. If the Liberal Party's amendment is successful, the board will comprise eight members. That will still provide a majority of the four professional people appointed by the selection panel plus the chairman. The code nominees will still be on the board to provide the background experience and knowledge that will be vital in establishing this new structure in the next few years. I am prepared to concede that, but I believe the one, one, one situation is a better way to do it.

We will also be moving another amendment to boost the professional qualifications of those four people appointed by the selection panel. I note that skill in the area of information technology has been included as part of the selection criteria as a result of the debate in the Legislative Assembly. I am pleased about that because our proposal was to include information technology, marketing and legal experience as essential items that those professional people will need to manage and control a billion dollar industry, which will be their lot to do. I hope the Government accepts those minor amendments to beef up the professionalism of the new board and to produce a better outcome.

The board appointments must be done carefully, without politicising the process. I am sure the minister is aware of this - I certainly hope he is. People in the racing industry and the community are very suspicious of any politicisation emerging from that process. They do not want Labor Party hacks, or for that matter Liberal Party hacks, appointed as directors of this new board to be in control of their destiny. They want objective and efficient professional people appointed. The view in many parts of the industry is that there is already too much politics in the industry. Party politics should be removed to a more distant position than it is currently. I share that view.

The new racing industry body cannot be seen as a takeover of the whole industry by one sector or club. If it is seen like that it will fail because it will not have up-front credibility. I think the minister is on the same wavelength. I hope the appointments gain the confidence of all the industry participants so that some of the nervousness about the future and the mistrust between the codes, and between the city and country interests and the different sectors in each of the industries, can be put to one side and we end up with a professional, objective and efficient board.

The appointment of the chief executive officer, which is in the hands of the minister in the initial stages so the board is up and running by 1 August this year, is vital. The administrative structure is also vital. For some time an implementation group has been meeting to determine how best to put this body together. I have no way of knowing exactly what it has come up with - of course the minister knows - but I have confidence in some of the people I know who have been part of that process. That group will come up with an administrative structure that is efficient and will gain the confidence of the industry.

The distribution of funds from the Totalisator Agency Board is another contentious point because the TAB is the major source of funds for racing clubs of all descriptions in Western Australia. It is therefore the main focus of everybody in the industry and attracts the most interest and, at times, nervousness and alarm. However, at this point it is also worth considering the other factors that have to be taken into account, historically and into the future, in the remuneration directed to individual racing clubs from the TAB profits. These include the numbers employed in the industry, the dollars generated in each industry - such as in the breeding, training, transport and feed merchant industries - and the numbers attending race meetings. The social importance of clubs, especially country clubs, must be taken into account. One might also consider the extent of television coverage, the convenience for punters, the number of races held and so on. The upshot is that any number of people from different sectors of the racing industry can sit in a meeting and go away with different points of view on how that TAB profit should be distributed and the relevant merits of the TAB distribution - whether it is fair at the moment, whether it should be changed and how it should be changed.

At present, the TAB distribution is fixed under a current statutory formula and this legislation proposes that that continue up to 2005. It is fixed in that the first \$50 million of offcourse betting funds is distributed to the racing industry at 55.26 per cent, the trotting industry at 29.76 per cent and the greyhounds at 14.98 per cent. Also built into those statutory requirements is a provision in the racing industry for 28.09 per cent to go to non-metropolitan clubs with the remainder to go to the Western Australian Turf Club. In the trotting industry, at least 20 per cent will go to non-metropolitan clubs. Of the remainder, 17.5 per cent will go to the Fremantle Trotting Club, while the Western Australia Trotting Association will obtain the rest. There are historical reasons for that formula emerging over time.

The TAB was formed by an agreement between the racing and trotting industries. For many years its funds distribution arrangement has operated largely on a gentlemen's agreement. Some of the reasons for the statutory formula are rooted in the protection for country clubs and the Fremantle Trotting Club after the closure of Richmond Raceway. As I said, there was a voluntary percentage distribution between the codes. This was changed to become a statutory provision for the first time in, I think, 1988 by Hon Pam Beggs, the Minister for Racing and Gaming at the time. She enshrined in legislation a ratio of 70-30. This statutory ratio was to be phased in over 10 years. In 1995 Hon Max Evans, who was then the minister, arrested it at 65-35. In 2000 Hon Norman Moore, when he was the minister, brought in the \$50 million floor for distribution and introduced for the first time a form of discretionary funding that would be available to direct funds to areas of the industry that were in most need. The greyhound industry was introduced in the 1970s and the Burswood International Resort Casino was established in 1985. We also saw the introduction of Sky Channel, Lotto and all those sorts of things into the gaming industry and society in general, which have impacted on that statutory formula. That formula is really a snapshot in the history of the Totalisator Agency Board distribution. Over the years that distribution has changed, and the relative TAB turnovers have changed and will continue to change. Some people may question the logic of being tied to a statutory formula, which is a snapshot in history, but there are good reasons for that.

This Bill proposes that after 1 August 2005 the full discretion for the distribution of these funds will rest with Racing and Wagering Western Australia, the new body. The Bill also provides some protection for people nervous about this aspect of the Bill. For example, clause 35(1), under the heading "Functions in relation to racing in general", states -

- (b) to foster the development, promote the welfare and ensure the integrity of metropolitan and country thoroughbred racing, harness racing and greyhound racing, in the interests of the long term viability of the racing industry in Western Australia;

The Bill also stipulates that one of the four directors appointed by the selection panel will need some experience of regional development. They are all good words, but I wonder whether they are enough. What does some experience of regional development mean? Does it mean that I may have run a business in Timbuktu at some stage or been for a holiday to Esperance? I do not know what it means. The other provision that contains some protection is that the new racing body, RWWA, will use its best endeavours to ensure no club receives less than the net earnings from offcourse wagering on its own races. That is all good, and I support it, but I ask whether it is enough to provide comfort for sections of the industry that are nervous about entering a largely unknown world.

The DEPUTY PRESIDENT (Hon Simon O'Brien): Order! There is too much background conversation in the Chamber. I am concerned that that may make it difficult for Hansard. I ask members to be mindful of that.

Hon BARRY HOUSE: The new legislation will continue the provision for a sports betting account which takes money from unclaimed dividends and a proportion of the sports betting revenue, which is then used for general sports development purposes at the discretion for the Minister for Sport and Recreation.

Another point to note about the TAB distribution is that this industry has a turnover of almost a billion dollars. We are not talking checkers here; we are talking serious dollars. Once operating costs, the returns to clubs and the government tax - the public funds part of the equation - are taken from the return to punters, it is estimated this year that approximately \$63 million will be available for distribution. I have been advised that \$8 million or \$9 million will be required to establish the new body and \$50 million will be allocated according to the statutory formula. That will leave \$5 million or \$6 million to be allocated at the discretion of the minister. In the past couple of years the minister has not used the discretion provision and has said that the funds should be distributed according to the same formula; maybe he will do the same again. The legislation will provide transitional arrangements for that to continue for two years.

The Opposition proposes a slight improvement; that is, the current formula continue for five years, till 2008, to provide some stability and certainty for those sectors of the industry that are very nervous about their future and how they will be treated. This should go hand in hand with the sunset clause, which involves a comprehensive review - not just a ministerial review - and the legislation will then come back to the Parliament for scrutiny before that five-year period is up. That means the legislation will continue in its full or amended form. This sunset clause is a standard provision for many bodies -

Hon Nick Griffiths: This one isn't.

Hon BARRY HOUSE: It is a standard provision for many bodies that have been set up by this Parliament, and will continue to be. We dealt with a sunset clause earlier this year. I forget the name of the Bill, but it occupied very little parliamentary time. The debate in the Assembly lasted about an hour, and about the same in this place, so it is not an onerous provision. However, it still provides comfort for many people in the community who want some parliamentary scrutiny of this process. It will probably take five years for this body to become

fully established. It will need time to get on its feet, to bed down and to get all its administrative structures in place, and it will need time to develop a track record and gain the confidence of all aspects of the industry. That is why we propose that that provision be adopted.

The TAB distribution is the major point of difference between most people with an opinion on the functions of this new body, because it is so vital - it is the financial lifeline of the industry. The whole debate in the lead-up to this point has been confusing. A wide range of views exist within the industry, and this Parliament will never please everybody. This industry has a historical background and it has been subject to some changes. I have received letters from many people indicating the changes that have occurred over the years to the relative distribution of TAB turnover. There are claims and counterclaims. Racing is seen as the dominant code, and in its view it is entitled to a larger share; in this respect country provincial clubs are, without a doubt, the worst affected on the basis of that raw data. They have been short-changed according to that criterion alone. The Country Racing Authority is very nervous about the outcome, although it has sent me a letter saying that it supports the current provisions in the legislation. That becomes a little confusing.

Hon Nick Griffiths: I think the letter is clear in its terms.

Hon BARRY HOUSE: The letter is clear, but talking to the people involved certainly does not dispel all of the queries and nervousness about the future.

Hon Nick Griffiths: But they support the legislation as proposed; that's the crucial thing.

Hon BARRY HOUSE: That is what the letter says.

Hon Nick Griffiths: You're not telling me the letter is inaccurate, are you?

Hon BARRY HOUSE: No. The association wrote the letter, but the trotting code is very nervous about distribution. The trotting code on the raw data receives a larger share of TAB profits than TAB turnover would indicate. Then again, there are all sorts of arguments about that aspect. People in the trotting industry would claim that they have been pushed to less attractive racing times and cannot generate great interest. In fact, trotting gave away Saturday afternoon racing to the thoroughbred industry years ago. People in the trotting code also argue that 75 per cent of TAB turnover is offcourse turnover that comes to the State mainly from Saturday morning punters at local TAB agencies watching television screen images of events that can be streamed in from literally anywhere in the world. The time zones mean that the Saturday morning punt in Western Australia fits in perfectly with eastern States' races. That is why the formula is lopsided.

Some confusion has arisen in the trotting industry. My good friend Dr Manea is heavily involved in the Bunbury Trotting Club and world harness racing, and he has a view that is different from that of the Country Trotting Association, of which his club is a member. I have a letter from the WA Country Trotting Association saying it supports the legislation as it stands. I know that Dr Manea certainly does not share that view. It can become a little confusing for legislators. Ultimately, whom does one believe? Members must come to Parliament and take the course of action they think is in the best interests of the industry.

The greyhounds tick along nicely, but quietly in some respects. This code has been the success story of recent years. It has a good product. A statutory authority runs the greyhound industry as an efficient operation - it is the quiet achiever of the racing industry in many respects.

The Liberal Opposition will move the amendments I suggested to ensure some stability for all codes and clubs in a largely unknown future. By extending the requirement for Racing and Wagering WA to distribute the TAB funds according to the statutory formula until 2008, in conjunction with a sunset clause with discretion thereafter, is the most productive way to proceed.

The TAB distribution, of course, has already introduced an element of discretionary funding. This aspect should grow. As I mentioned before, the anticipated level of profits for distribution this year will be around \$63 million, and this figure has increased by about seven per cent a year over recent years. That should provide an increased amount of discretionary funding for the new body to provide to areas of the industry with particular need, or areas of the industry that RWWA wants to reward for good performance.

The only cloud on the horizon is the emergence of Betfair and the United Kingdom's gambling exchanges. I asked a question in the House on that aspect. I recently saw some figures outlining the sort of money punted with these organisations. The offshore exchanges return something like two per cent, whereas the Totalisator Agency Board returns 14 or 15 per cent to the industry. These offshore organisations pose a massive potential for haemorrhaging of funds out of the Western Australian and other Australian racing industries. I trust the minister is onto that matter. He assures me in his answers that the matter will be addressed at the next ministerial council meeting. I hope so because the potential exists for haemorrhaging of punting money from Western Australia. If that were to occur, it would impact on all codes of the racing industry.

I question whether the TAB in future will want to move to some other forms of gambling. It is involved in sports betting to a limited extent, the proceeds of which are quarantined into the Sportsbet account. What if the TAB wanted to move into some other forms of gaming operations down the track? Some future Government in Western Australia - it will not be a Liberal Administration - may introduce poker machines. With the rapid progress of technology, future Governments may introduce other forms of gambling that we cannot contemplate at this stage. If the TAB were permitted to operate these forms of gambling, it will be an interesting exercise to see whether the racing industry would receive all proceeds or they would be directed to the public of Western Australia. I pose the questions.

As an aside, it is interesting to note that the Victorian racing industry, which I went over to observe, is subsidised quite substantially by income from poker machines. It is propped up in a sense until 2012. The industry is already making provision for when that support finishes. It knows that at that time the industry will need to stand on its own two feet. At this point in history, this enables the Victorian industry on the whole to pay higher stake money, and, unfortunately for the Western Australian industry, provide more attractive opportunities for several of our owners and trainers who have taken their horses to Victoria. We somehow must arrest that flow of industry participants from the State. I hope the new body will play a part in that protection of our industry.

The health of the racing industry is measured by many things. It is measured not necessarily these days by attendance at racetracks, although big meetings are a fair indication. The best measure of the health of the industry is the amount of stake money available for all codes, which attracts owners, trainers and all the other people who rely on the industry. Another effective measure is the health of yearling sales and the prices achieved for breeding product. That fluctuates like a lot of other primary industry, but if RWWA can instil confidence in the future of the racing industry, it will play a valuable role in ensuring prices for yearlings are sufficiently substantial to maintain a very effective industry.

Currently, many sectors of the racing industry are struggling, although it is encouraging that all three codes have shown healthy signs in the past six months. Nevertheless, many people involved in the racing industry face economic difficulties. They are about to enter a new, challenging and exciting era with the creation of this new body. It will be a leap of faith for many people in the racing industry. I am sure that some people have their fingers crossed and others have supreme confidence that this is the right way to go. I offer my support and the Opposition's support for these Bills with the inclusion of the amendments we have proposed, which we believe will improve the Bill. I wish the new body well into the future. Times will be difficult and challenging and I am certain there will be bumps along the road. However, I for one am convinced that we are on the right track.

The Racing and Gambling Legislation Amendment and Repeal Bill complements the establishment of Racing and Wagering Western Australia. The Bill deals with the traditional requirements for the establishment of racing and wagering in Western Australia; for example, the transfer of offcourse wagering from the TAB to RWWA on an appointed day. It handles the transfer of principal club functions from the WA Turf Club, the WA Trotting Association and the WA Greyhound Racing Authority to RWWA. It provides for the appointment of the first chief executive officer of RWWA by the minister until that body is established. I am sure the minister appreciates the importance of that appointment and we all trust that he will appoint the right person. The Bill has accountability provisions and provides for the transfer of racecourse development trust funds and functions. It also provides for the abolition of the Betting Control Board and the transfer of its functions to the Gaming and Wagering Commission of WA, which is a new body. It also moves to protect betting revenue for the WA racing industry by making it an offence to bet on an Australian racing event with a betting service that is not licensed by an Australian jurisdiction. The minister might like to expand on that provision later. That provision could help prevent funds haemorrhaging to Internet and technological gambling by closing a potential loophole. How will that provision be policed? The Bill also seeks to license reputable offshore operators.

The Racing Restriction Bill is also associated with this legislation. It complements the Racing and Wagering Western Australia Bill. It is a redraft of the Racing Restriction Act 1917, which covers licensing of thoroughbred, harness and greyhound racing for prize money and betting, and it also implements national competition recommendations for licensing of other horseracing organisations that are not thoroughbred or harness racing. The only example I can think of is quarter horse racing. There was a proposal a few years ago to introduce that into Western Australia. There may be other forms of thoroughbred or harness racing that I do not know about.

The Racing and Wagering Western Australia Tax Bill also complements the Racing and Wagering Western Australia Bill. This applies the existing taxation regime. The existing taxation regime is for five per cent of turnover of offcourse totalisator wagering on racing and sporting events and two per cent for fixed-odds racing race betting turnover with half a per cent for fixed-odds sports turnover. This little Bill raises a very interesting point. In the Legislative Assembly, the Opposition gave the Government an opportunity to commit to legislation its election promise to rebate half a per cent of the TAB turnover tax, which in effect brings it back, as far as

public funds are concerned, to 4.5 per cent. The Government reneged on the opportunity to cement that commitment in legislation in the other House, which is unfortunate because that would have provided a firm reassurance from the Government that it meant what it said. The Labor Party gained a lot of credibility in the racing industry at the last election by promising it would provide this half a per cent rebate, which amounts to about \$5 million throughout the racing industry. The coalition did not match it. The Labor Party won a few political points. It has rebated the money but it will not confirm it in legislation. That is a pretty poor show. Of course, we cannot move an amendment in this House to do that because it is a money Bill. However, the point should be made that the Government was not prepared to put its money where its mouth was and confirm that in legislation.

I have covered most of the points I wished to cover. I firmly believe that the racing industry is on the verge of a new, challenging era, which will provide many opportunities and headaches, I am sure. I, for one, and the Opposition believe it is on the right track. We wish the new structure well and we trust that it will come into force on 1 August this year with the amendments we have proposed to make it a more effective organisation. It will serve the racing industry well into the future.

Debate adjourned, on motion by Hon Bruce Donaldson.